



## News Release

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**IRS ISSUES SPRING 2002 STATISTICS OF INCOME BULLETIN**

WASHINGTON –The Internal Revenue Service today announced the release of the Spring 2002 issue of the *Statistics of Income Bulletin*. It includes articles on individual income tax returns with Adjusted Gross Income of \$200,000 or more, S corporation returns, a reconciliation of pretax corporate income reflected on financial statements with that reflected on corporate income tax returns and a review of Federal estate tax returns filed for estates of 1999 decedents.

The *Bulletin* contains an in-depth analysis of the 2.43 million individual income tax returns reporting Adjusted Gross Income (AGI) of \$200,000 or more for 1999. Some 2.48 million individual returns reported expanded income of \$200,000 or more. While the total number of tax returns increased 1.8 percent over 1998, the number of high AGI returns increased 16.5 percent, and the number of high expanded-income returns rose 16.3 percent.

In addition, the *Bulletin* contains the following articles:

- S corporation returns, which represent 55.2 percent of all corporations, increased 5.3 percent for Tax Year 1999 over the previous year. The number of S corporation shareholders also increased to nearly 5.1 million, up 4.9 percent. For Tax Year 1999, S corporation total assets increased 11.9 percent from \$1.5 trillion in Tax Year 1998 to \$1.6 trillion in Tax Year 1999. Total net income (less deficit) increased 6.6 percent to \$193.8 billion.
- Researchers explored the reconciliation between corporation book and tax net income for Tax Years 1996-1998, using amounts derived according to Generally Accepted Accounting Principles (GAAP) and Internal Revenue Code rules. For 1996, the difference between pretax financial reporting income (pretax book income) and tax net income was \$92.5 billion, representing 14.0 percent of tax net income. For 1998, the difference increased to \$159.0 billion, representing 24.2 percent of tax net income.
- An estimated 103,982 Federal estate tax returns were filed for estates of 1999 decedents subject to the \$625,000 filing threshold. Collectively, these returns reported \$195.6 billion in assets, \$81.3 billion in deductions, and \$22.8 billion in tax liability. Males accounted for 53.4 percent of the group, 57.5 percent of total gross estate, and 44.0 percent of total tax liability. Females accounted for 46.6 percent of the group, 42.5 percent of total gross estate, and 56.0 percent of total tax liability. For both sexes, publicly held stock was the single largest asset category.

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The *Bulletin* further shows that 46,208 nonprofit organizations reported \$7.6 billion of aggregate gross income from “unrelated business” activities on their 1998 Forms 990-T. Taxable profits after deductions amounted to \$1.7 billion, while unrelated business income tax reported by these filers was \$505.9 million. After adding other types of taxes and subtracting credits, total tax reported on Form 990-T for 1998 was \$464.3 million.

Finally, the *Bulletin* has inaugurated a new series examining the highest and lowest individual income tax rates from 1913 to the present. The top rate has fluctuated from a low of 7 percent for 1913 to a high of 94 percent for 1944-1945. In contrast, the bottom rate has gone from a low of 0.375 percent for 1929 to a high of 23 percent for 1944-1945. In future issues, the series will examine changes in definitions of income, deductions, the tax base, and tax credits.

The *Bulletin* also includes historical data on income, deductions, and tax reported on returns filed by individuals, corporations, and unincorporated businesses, with selected data presented for estates. Statistics are also presented on tax collections, including excise taxes by type, and refunds for recent years.

The *Statistics of Income Bulletin* is available from the Superintendent of Documents, U.S. Government Printing Office, P.O. Box 371954, Pittsburgh, PA 15250-7954. The annual subscription rate is \$41 (\$51.25 foreign), single issues cost \$34 (\$42.50 foreign). For more information about these data, write the Director, Statistics of Income (SOI) Division, N:ADC:R:S, Internal Revenue Service, P.O. Box 2608, Washington, DC 20013-2608; call the SOI Statistical Information Services office at (202) 874-0410; or fax, (202) 874-0964. To access the Spring 2002 *Statistics of Income Bulletin*, visit the IRS Web site [www.irs.gov](http://www.irs.gov) and click on “Tax Stats” in the upper left-hand corner. From the Tax Stats page, select “SOI Bulletins” under “Statistical Publications.”

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